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NORTH CAROLINA



COOPERATIVE CROP REPORTING SERVICE

QUESTIONS PERTINENT TO THIS ISSUE

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No. 25

RALEIGH, N. C.

DECEMBER 5, 1948

AGRICULTURAL PRICES AND OTHER CURRENT ITEMS

AGRICULTURAL ESTIMATES

This begins a series of articles illustrating and explaining the steps used in developing official crop reports.

1-THE CROP REPORTING BOARD

The Crop Reporting Board, meeting in the Board offices in the South Building of the U. S. Department of Agriculture, in Washington, D. C., prepares a crop report from the reports sent in from the States. These reports are deposited until the day of the report in a special locked mail box in the office of the Secretary of Agriculture. Early in the morning of report day, a representative of the Secretary, who holds one of the two keys necessary to unlock the box, and a member of the Crop Reporting Board, who holds the other, open the box, take out the reports and carry them - all under guard - to the Board offices. The blinds in these offices are sealed, so that no signals can get out. The door at either end of the corridor on which the Board offices open is locked, with a guard stationed before it. No one can enter without a special permit card signed by the Chairman of the Board. Anyone entering cannot leave before the release hour. Inside the "lock-up", the members of the Board, assisted by a corps of tabulators, computators, and other aides, prepare the report. The Secretary, or Acting Secretary, of Agriculture, admitted shortly before the release time, signs the reports, Mimeograph copies, run off in another part of the lock-up, are carried, under guard, to the release room, where Washington correspondents wait with open wires to their offices and representatives of other interested organizations wait to collect their copies of the report.

The crop Reporting Board, with R. K. Smith, Vice-Chairman, presiding, and J. D. Pallesen, Secretary of the Board, standing by at his right, prepares the crop report inside the "lock-up".

PRICES RECEIVED DECLINE

For the second consecutive month, as of mid-November, the general level of prices received by Tar Heel farmers continued to decline. The sharpest drop during the month ended November 15 was in corn prices. Corn has dropped steadily since July and is now at the lowest level since January 1946. Prices received for hogs, tobacco and lespedeza seed also made noticeable declines during the month. Hog prices dropped to the lowest level since June of this year. Prices received for Types 11 and 12 tobacco on November 15 averaged about 8 cents per pound less than on October 15.

Aside from the sharp drop in corn, prices received for grains showed little change during the month. Likewise, meat animal prices held firm except for hogs.

Chicken and egg prices reflected gains during the month. Egg prices were the highest of the year. Turkey prices also made noticeable advances.

ACCIDENTS TO FARM PEOPLE

It is estimated by the Bureau of Agricultural Economics that farm people and farm workers in the United States had approximately 275,000 lost-time accidents during January through April 1948. These accidents resulted in a loss of 6 million days or more from regular activities. No allowance was made for time lost by persons who were fatally injured or permanently and totally disabled. Average time lost per accident reported was about 22 days. Medical, dental and hospital expenses which resulted from these accidents averaged just over \$40 per person injured, or about \$52 per person when accidents involving no expenses are not included.

Twice as many farm people were injured in falls as in any other type of accident. The next most common type of accident involved animals. Third in importance were accidents due to motor vehicles

(See "Farm Accidents", page 4)

MEETING OF THE CROP REPORTING BOARD



N. C. INDEX DOWN SHARPLY

The "All Farm Products" index of prices received by North Carolina farmers on November 15 at 270 percent of the 1909-14 base average was 22 points below the previous month and 5 points below the index of a year ago.

Considerably lower prices were received for tobacco, corn and hogs than a month earlier, and accounted largely for the sharp drop in the index.

Except for poultry and miscellaneous products, all indexes of individual groups of commodities showed declines during the month ended November 15. The tobacco index showed the greatest loss, dropping 69 points to 328 percent. The second largest drop was seen in the meat animal index. This index dropped from 395 to 383 percent and was caused by a noticeable drop in hog prices. Lower prices received for lint brought the cotton and cottonseed index down; however, this drop was partially offset by slightly higher prices received for cottonseed.

Higher prices received for both chickens and eggs boosted the poultry index to 315 percent, only 6 points short of the record high of 321 percent reached in December 1947. Slightly higher prices received for peanuts and soybeans were chiefly responsible for the 5 point increase in the miscellaneous products index which now stands at 227 percent.

The November ratio of prices received by North Carolina farmers to prices paid by United States farmers dropped to 109 percent, 8 percent below the ratio of the previous month.

NORTH CAROLINA AND UNITED STATES INDEX NUMBERS
(N. C. PRICES RECEIVED 1909-14 = 100 PERCENT)

COMMODITY	OCT 15 1948	NOV 15 1948	NOV 15 1947	NOV 15 1946	NOV 15 1945
N. C. INDEX NUMBERS					
ALL FARM PRODUCTS....	292	270	275	276	236
COTTON & COTTONSEED..	245	240	258	251	178
GRAINS.....	189	181	246	206	156
MEAT ANIMALS.....	395	383	353	335	219
POULTRY.....	296	315	308	285	266
DAIRY PRODUCTS.....	247	245	238	228	179
TOBACCO.....	397	328	315	342	341
MISCELLANEOUS.....	222	227	231	227	213
RATIO OF PRICES RECEIVED TO PAID*..	117	109	114	131	135
U. S. INDEX NUMBERS					
PRICES RECEIVED.....	277	271	287	263	205
PRICES PAID.....					
INTEREST AND TAXES..	249	247	241	211	175
RATIO OF PRICES RECEIVED TO PAID...	111	110	119	125	117

* Ratio of N. C. prices received to U. S. paid.

FEED PRICES UNSTEADY

During mid-November, average prices paid by farmers in the State for high protein and grain by-products feeds were somewhat unsteady. Generally, prices were off slightly.

Corn meal, reflecting the low prices being received for corn, showed the sharpest drop during the month, dropping from \$5.30 to \$4.90 per hundred pounds. Laying mash at \$4.95 and scratch feed at \$4.60 were down 15 and 25 cents per hundred weight, respectively.

Bran and cottonseed meal at \$3.60 and \$3.45, respectively, showed slight increases of 5 cents per hundred. Mixed dairy feeds of 16-20 percent protein were generally unchanged.

FEED PRICES PAID BY FARMERS NOV. 15, 1948 WITH COMPARISONS

FEED PER HUNDRED WEIGHT	NORTH CAROLINA		UNITED STATES	
	OCT 15 1948	NOV 15 1948	OCT 15 1948	NOV 15 1948
DOLLARS				
BRAN.....	3.55	3.60	2.88	3.06
MIDDLINGS.....	3.90	3.90	3.29	3.30
CORN MEAL.....	5.30	4.90	4.10	3.65
COTTONSEED MEAL.....	3.40	3.45	3.95	4.17
SOYBEAN MEAL.....			4.26	4.38
MIXED DAIRY FEED:				
16% PROTEIN.....	3.80	3.80	3.72	3.71
18% PROTEIN.....	4.15	4.10	3.88	3.90
20% PROTEIN.....	4.20	4.20	3.92	3.98
LAYING MASH.....	5.10	4.95	4.59	4.55
SCRATCH FEED.....	4.85	4.60	4.32	4.15
TANKAGE.....	6.80	6.90	6.12	6.27

U. S. PRICES RECEIVED INDEX OFF 6 POINTS

Chiefly as a result of lower prices for hogs, citrus fruits, corn, butterfat, tobacco, and cotton, only partially offset by increases in some other items, prices received by United States farmers on November 15 averaged 6 points, or 2 percent below last month, and 271 percent of the August 1909 - July 1914 base.

The index of prices paid by farmers, including interest and taxes, was down 2 points, or nearly 1 percent, to 247. This drop was largely accounted for by lower prices for several items used for family living, mainly food and clothing. A number of changes occurred in production items also, but in this group increases in some items were approximately offset by decreases in others.

The parity Ratio (ratio of the index of prices received by farmers to the index of prices paid, interest, and taxes) dropped 1 point to 110, the level of October 1942.

It will be noted that the living component of the parity index declined 2 points, that the production component remained unchanged, and that the whole parity index (prices paid, interest, and taxes) declined 2 points, the same as the living component. This results from rounding published figures to whole numbers, whereas fractional numbers occur in the supporting calculations.

Led by a drop of \$2.80 per hundredweight for hogs, the index of prices received by farmers for meat animals declined for the fourth consecutive month. At 351, the index is down 16 percent from the all-time high of 417 last July.

COMPARISON OF U.S. PRICES RECEIVED BY FARMERS AND PARITY PRICES*

COMMODITY	PRICES RECEIVED BY FARMERS		PARITY OR COMPARABLE PRICES		ACTUAL PRICES AS PERCENTAGE OF PARITY	
	OCT. 15 1948	NOV. 15 1948	OCT. 15 1948	NOV. 15 1948	OCT. 15 1948	NOV. 15 1948
- DOLLARS -						
COTTON, LB....	.311	.305	.309	.306	101	100
WHEAT, BU....	1.98	2.04	2.20	2.18	90	94
CORN, BU....	1.38	1.21	1.60	1.59	86	76
OATS, BU....	.699	.756	.994	.986	70	77
BARLEY, BU....	1.10	1.15	1.54	1.53	71	75
RYE, BU....	1.43	1.51	1.79	1.78	80	85
BEEF CATTLE.....						
CWT....	22.10	21.40	13.50	13.40	164	160
HOGS, CWT....	24.60	21.80	18.10	18.00	136	121
LAMBS, CWT....	22.10	22.00	14.60	14.50	151	152
CHICKENS, LB....	.299	.293	.284	.282	105	104
EGGS, DOZ....	.547	.583	.621	.632	88	92
MILK, WHSLE....						
CWT....	4.91	4.90	4.25	4.35	116	113

* PARITY means a price for the farmer's product which will give it exchange value for things the farmer needs to buy equal to that in a specified base period, usually (1909-14)

N. C. FARM PRODUCTS PRICE DOWN

The general level of prices received by Tar Heel farmers during the middle of November was somewhat lower than during the previous month. Marked decreases were noticed in prices received for tobacco, corn, hogs, and lespedeza seed. Many other products showed price declines during the month, however, less sharply. Type 11 tobacco averaged 43 cents and Type 12 averaged 42 cents per pound on November 15, comparing with an average of 50 cents and 52 cents, respectively, a month earlier. Prices received for corn dropped 23 cents during the month and, at \$1.35 per bushel, prices were the lowest since January 1946. Hog prices continued to decline. The mid-November average price of \$22.30 was \$2.00 per hundred pounds lower than a month earlier. Unusually heavy production of lespedeza seed throughout the country has brought about a sharp decline in prices received for the product. An average drop of \$2.60 per hundred weight came about during the month in the State, however, the change in price varied among different varieties.

Prices received for cotton were off about 1 cent per pound compared with a month earlier, while cottonseed prices advanced about 4 dollars per ton.

Mid-November prices received for chickens and eggs were considerable higher than during mid-October. Other than hogs, meat animals showed little change during the period. Dairy products, also, showed little change in price.

Baled and loose hay sold by farmers during the middle of November averaged around a dollar less per ton than a month earlier. Irish potatoes reflected no change during the month while sweetpotatoes showed a slight loss of 10 cents per bushel. Wool, at 47 cents, was down 1 cent a pound. Commercial apples made no apparent change during the month.

PRICES RECEIVED BY FARMERS NOVEMBER 15, 1948 WITH COMPARISONS

COMMODITY	UNIT	NORTH CAROLINA		U. S.
		OCT 15 1948	NOV 15 1948	NOV 15 1948
- DOLLARS -				
TOBACCO TYPE 11.	LB.	.500	.43	-
TYPE 12.	LB.	.521	.42	-
CORN.....	BU.	1.58	1.35	1.21
WHEAT.....	BU.	2.16	2.20	2.04
OATS.....	BU.	1.00	1.02	.756
BARLEY.....	BU.	1.78	1.70	1.15
RYE.....	BU.	2.29	2.30	1.51
SOYBEANS.....	BU.	2.00	2.24	2.36
COWPEAS.....	BU.	4.75	4.75	4.22
PEANUTS.....	LB.	.104	.111	.106
COTTON.....	LB.	.311	.302	.305
COTTONSEED.....	TON	56.00	60.00	69.00
WOOL.....	LB.	.48	.47	.455
HOGS.....	CWT.	24.30	22.30	21.80
BEEF CATTLE.....	CWT.	19.00	19.00	21.40
VEAL CALVES.....	CWT.	24.10	24.10	24.90
SHEEP.....	CWT.	9.80	9.80	8.93
LAMBS.....	CWT.	23.20	23.20	22.00
CHICKENS.....	LB.	.295	.32	.293
EGGS.....	DOZ.	.61	.645	.583
MILK: WHOLESALE.....	CWT.	5.70	5.70	4.90
RETAIL.....	QT.	.213	.214	.193
BUTTER.....	LB.	.60	.58	.63
BUTTERFAT.....	LB.	.60	.58	.64
HAY: ALL LOOSE.....	TON	31.00	30.30	18.40
ALL BALED.....	TCN	33.50	32.50	23.30
POTATOES.....	BU.	1.70	1.70	1.44
SWEETPOTATOES.....	BU.	2.20	2.10	1.98
APPLES, COMMERCIAL.....	BU.	2.00	2.00	2.35
PEACHES.....	BU.	2.90	-	-
PEARS.....	BU.	1.70	-	-
LESPEDeza SEED.....	CWT.	13.90	11.30	8.49
KOREAN.....	CWT.	12.20	8.30	-
KOBE.....	CWT.	15.00	14.00	-
COM. & TENN. 76.....	CWT.	21.00	18.80	-
SERICEA.....	CWT.	22.00	21.00	-

COMMERCIAL BROILER OPERATIONS UP

The upward trend in placements of baby chicks which began in October continued through November as hatcheries and dealers in the Chatham and Wilkes Areas reported 1,194,000 chicks placed with broiler producers in both areas. This number compares with 852,000 chicks placed in these two areas during October, a 40 percent increase.

There were 776,000 chicks placed in the Chatham Area during November compared with 510,000 placed during October. Placements in the Wilkes Area totaled 418,000, or 76,000 more than for the preceding month. There were 455,000 chicks placed in the Chatham Area during November 1947. Statistics for the Wilkes Area are not available for last year.

The number of eggs set in the two areas totaled 1,751,000, an increase of 392,000 over combined settings for October. Hatcheries in the Chatham Area set 1,052,000 eggs during November compared with 794,000 set the month before. Settings in the Wilkes Area, at 699,000 were 134,000 above those of the previous month. Chick output in the two areas showed a 70 percent increase over total hatchings for October. Reports indicated 1,139,000 chicks hatched compared with 668,000 hatched a month earlier. Hatcheries in the Chatham Area reported 695,000 of these and the Wilkes Area accounted for 444,000. During the corresponding month last year, there were 536,000 eggs set and 507,000 chicks hatched in the Chatham Area.

COMMERCIAL HATCHERY PRODUCTION INCREASES

Commercial hatcheries in North Carolina produced 1,758,000 chicks during October, 1948. Production during the month compares with 1,170,000 chicks hatched during the previous month and 1,427,000 hatched during October of last year. The increase is due primarily to an increase in the supply of hatching eggs. From January through October, hatcheries in the State produced 34.3 million chicks, or about 3 percent more than the 33.4 million produced during the corresponding period in 1947.

Total U. S. production during October was 45.7 million, comparing with 44.5 million in September. Hatching for this year through October totaled 1,138.8 million or about 7 percent below chicks hatched during the same period of last year.

Farm and retail prices of chickens and farm turkey prices have been at record or near-record levels in every month of 1948.

The average farm price of corn in October was 8 cents below the U. S. average loan rate of \$1.44 per bushel.

SALE OF FLUE-CURED TOBACCO ON NORTH CAROLINA MARKETS AND AVERAGE PRICES

TYPE	GROSS SALES THROUGH NOV 29*	GROSS AVERAGE THIS SEASON*	PRODUCERS AVERAGE LAST YEAR
	- POUNDS -	- DOLLARS -	- DOLLARS -
11 A.....	115,741,425	49.09	37.42
11 B.....	155,762,465	50.16	42.65
12.....	392,614,141	49.40	43.48
13.....	133,005,144	51.23	43.07

Source: Tobacco Branch, Production and Marketing Adm.

* Producers sales and averages not yet computed for 1948

Note: Type 12 markets closed Nov. 24, Type 13 closed Oct. 7

FARM REPORT

UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Raleigh, N. C.

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FARM REPORT

PAGE 4

FARM LABOR

Total farm employment in the South Atlantic States numbered 2,117,000 persons on November 1 and decreased about 5 percent from the October 1 level. However, farm employment in this group of States showed nearly a 2-percent increase over that of November 1, 1947. Of the total persons employed on farms on November 1, family workers accounted for 75 percent while hired workers accounted for the other 25 percent. During the month ended November 1, the number of family workers decreased about 6 percent while hired workers decreased about 3 percent.

There were more people at work on farms in the United States on November 1 this year than for any other November 1 since 1940. Employment totaled slightly over 11 million persons. Good weather, the peaks of the harvest for the large crops of corn and cotton, and the late season on the Pacific Coast were responsible for the large employment.

Wage rates for picking cotton up to November averaged \$2.90 per 100 pounds of seed cotton. This was 25 cents per 100 more than last year and 40 cents higher than in 1946.

The number of family workers on farms in the United States on November 1 this year was slightly less than a year earlier and was also about the same as last year or very slightly lower for most regions. The decrease in family employment from October 1 to November 1 was less than usual for the country as a whole. There were 9 percent more hired farm workers employed on November 1 than a year ago in the entire country.

1948 LESPEDEZA SEED CROP

The production of thresher-run lespedeza seed during 1948 in North Carolina is estimated at 31.5 million pounds. This is about 6 percent less than production in 1947 and about 2 percent more than the 10-year (1937-46) average. The acreage of lespedeza seed harvested in North Carolina was less in 1948 than in 1947.

The total U. S. crop of thresher-run lespedeza seed is estimated at 233.9 million pounds, as compared with 149.6 million pounds in 1947 and the 10-year average (1937-46) of 167.7 million pounds. Larger crops than last year are estimated in all producing states except North Carolina, Kentucky and Tennessee.

FARM ACCIDENTS (Continued)

which accounted for one out of every 9, with passenger cars responsible for 70 percent and trucks for more than 25 percent of such accidents. Accidents due to machines were the fourth most common type, accounting for about 10 percent of the total. Tractors accounted for 30 percent of the machine accidents during this 4-month period. Axes caused more lost-time accidents than any other hand tool. Injuries resulting from handling heavy objects, stepping on or striking against sharp objects and being in the way of falling trees and lumber accounted for 13 percent of all accidents. Some 10 percent of all accidents were not sufficiently described to permit classification.

U.S. DEMAND AND PRICE SITUATION

High employment and increasing consumer incomes continue to support a strong demand for most farm products. Nevertheless, the general level of prices received by farmers has been declining principally as a result of heavy marketings from the record 1948 crops and seasonally larger marketings of meat animals.

Industrial production has recovered to the record peacetime high reached early this year, following a moderate decline caused by vacations.

General commodity prices which started a rise last spring have leveled off. Wholesale prices of farm products and foods have declined during September and October while prices of non-agricultural commodities as a group, have been relatively stable. However, price advances for certain industrial commodities, particularly the metals and metal products are continuing.

Livestock marketings have increased seasonally and prices of meat animals have declined. Hog prices, which rose in August and September, dropped more than other meat animals from September to October. Prices of butter and cheese also declined sharply and in mid-October were lower than in October last year. Corn prices declined much more than seasonally during September and October and in mid-October averaged 6 cents below the U. S. average loan rate. Prices of wheat in October were generally at about loan levels. Domestic mill consumption of cotton in September was slightly above August this year and September 1947. Flue-cured tobacco prices this season will probably average near 50 cents per pound compared with 41.3 cents last season.